



STATE OF CALIFORNIA

## STATE BOARD OF EQUALIZATION

PROPERTY AND SPECIAL TAXES DEPARTMENT  
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### **Cigarettes Labeled as Little or Small Cigars are Considered Cigarettes for Tax Purposes**

Products labeled as little or small cigars under federal regulation (27 C.F.R. section 40.214 [2006]) and the federal Cigarette Labeling and Advertising Act (15 U.S.C. section 1331 et seq.) are considered cigarettes under the California Cigarette and Tobacco Products Tax Law and require tax stamps.

Distributors must apply a California cigarette tax stamp to each package labeled little or small cigars they distribute. Packages without stamps are subject to seizure. In addition to forfeiting unstamped packages, distributors may be subject to civil and criminal penalties if they do not comply with the tax stamp requirements.

Manufacturers, distributors, and importers need to be aware that as new products enter the market, the Board may request that an independent laboratory analysis be performed to determine whether the product is a cigarette or tobacco product under the Cigarette and Tobacco Products Tax Law.

Wholesalers and retailers purchasing products labeled as small or little cigars from licensed distributors or importers should also verify that a stamp is affixed to each package. Packages of these products for sale at retail without stamps may be subject to seizure. Wholesalers and retailers of small or little cigars should contact their suppliers to return any unstamped product.

Little cigars are not currently required to be listed on the California Attorney General's *"Tobacco Directory."* For additional information on the *Tobacco Directory*, you may go online to [www.caag.state.ca.us/tobacco/directory.htm](http://www.caag.state.ca.us/tobacco/directory.htm).

For information regarding this notice, please contact the Excise Taxes Division at 916-327-4208. You may also go to the Board's website [www.boe.ca.gov](http://www.boe.ca.gov) to subscribe to receive cigarette and tobacco products program notices electronically.

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